

FISCAL MEMORANDUM

SB 85 – HB 1722

April 14, 2008

SUMMARY OF AMENDMENT (016630): Deletes the original bill in its entirety. Increases the fine for a DUI conviction by \$250. Half of such increase would be earmarked to local governments for the purposes of additional law enforcement officers or the construction or maintenance of jail facilities. The other half would be earmarked within the state General Fund for use in the Alcohol and Drug Addiction Treatment Fund administered by the Department of Mental Health and Developmental Disabilities.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue - \$1,365,000/Earmarked for Building or
Expanding Prisons

Increase State Expenditures – Not Significant

Increase Local Revenue - \$1,502,000

Increase Local Expenditures – Not Significant

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

**Increase State Revenue - \$1,365,000/Earmarked for the
Alcohol and Drug Addiction Treatment Fund**

Increase State Expenditures – Not Significant

Increase Local Revenue - \$1,502,000

Increase Local Expenditures – Not Significant

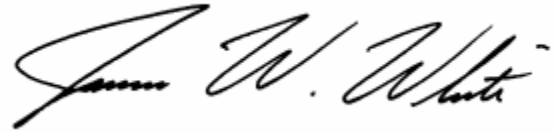
Assumptions applied to amendment:

- Approximately 26,000 DUI arrests annually in Tennessee.
- A 60 percent conviction rate for DUI's.
- A 70 percent collection rate for fines associated with DUI's.
- A \$250 fine increase with \$125 to the state and \$125 to local governments.
- The increase in state revenue is:
 $26,000 \times 60\% \times 70\% \times \$125 = \$1,365,000$

- The increase in local government revenue attributable to fines is also \$1,365,000.
- Local governments charge a \$12.50 administrative fee for each fine. Therefore they would also receive an increase in revenue attributable to this source.
 $26,000 \times 60\% \times 70\% \times \$12.50 = \$136,500.$
- The total increase in local government revenue is:
 $\$1,365,000 + \$136,500 = \$1,501,500.$
- Any increase in state and local government expenditures for the administrative cost to implement such changes is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/cce